



Life Solutions | Wealth Solutions

Life Insurance

Risk Assessment Guide – Addendum

Life Insurance Risk Assessment Guide Addendum

Asteron Life Limited has made some changes to the underwriting guidelines that are set out in our current Risk Assessment Guide, dated 28 April 2008.

This addendum is intended for use in conjunction with our current Risk Assessment Guide. Pages herein replace certain pages of the current Risk Assessment Guide, as noted below.

A complete version of the Risk Assessment Guide, including the changes, can be found on our website at www.asteron.com.au

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Life Cover, TPD and Recovery requirements

Financial evidence

Financial evidence is based on cover with all companies.

Financial evidence must be provided for all applications where the sum insured proposed exceeds the level shown in the following tables.

Note: Where the client has existing cover with another company, and that policy is not being replaced by this one, add the amount of existing cover to the proposed sum insured with Asteron to determine the financial evidence required.

Product	Sum insured	Requirements: Personal & business protection
Recovery TPD Life Cover	Up to \$1,000,000 Up to \$2,000,000 Up to \$2,000,000	Usually no additional requirement (Refer notes 5 and 6)
Recovery TPD Life Cover	\$1,000,001 - \$2,000,000 \$2,000,001 - \$3,000,000 \$2,000,001 - \$6,000,000	Financial Statement (Refer notes 5 and 6)
Life Cover TPD	\$6,000,001 and over \$3,000,001 and over	Financial Statement plus tax returns and full accounts for the last 2 years as listed on Equate printout (Refer notes 5 and 6)

For Life Cover in excess of above amounts please refer to your state underwriter for requirements.

Important notes

1. Recovery products refer to Recovery Package and Recovery Stand Alone.
2. Life cover also includes that under Recovery Package.
3. TPD cover also includes own/any occupation TPD under Recovery Package and Recovery Stand Alone.
4. The Business Security Option has varying financial requirements depending on the purpose of the cover. Please contact your state underwriter for requirements.
5. Where a fact find or Statement of Advice has been made to the client, please include a copy with the application. This will assist the assessment process and may negate the need for additional information.
6. Whilst our underwriters will endeavor to assess the application on the basis of the information in the personal statement plus Financial Statement and additional documents (where indicated), the underwriters may require additional details depending on the intended purpose of the cover.

Medical requirements

Step 1:

Calculate the total Life cover the client will have with Asteron only, including existing Asteron business. This includes any Life cover within the Recovery policy. Refer to Table 1 for the relevant requirements.

Step 2:

Calculate the total TPD amount the client will have with Asteron only, including existing Asteron business. This includes benefits under Life Cover with TPD, Recovery Package (excluding when no TPD is selected), Recovery Stand Alone (excluding when no TPD is selected) and TPD Stand Alone. Refer to Table 1 for the relevant requirements.

Step 3:

Calculate the total Recovery amount the client will have with Asteron only, including

existing Asteron business. This includes benefits under Recovery Package and Recovery Stand Alone. Refer to Table 2 for the relevant requirements.

Step 4:

Calculate the total Cancer Cover amount the client will have with Asteron only, including existing Asteron Recovery business. This includes benefits under Recovery Package and Recovery Stand Alone. Refer to Table 3 (on the following page) for the relevant requirements.

Step 5:

The client must perform all requirements as stated in tables 1, 2 and 3 (on the following page), except where a QuickCheck and/or a GP medical and/or a Specialist medical have both/all been requested. If a GP medical is required then a QuickCheck need not be performed. If a Specialist medical is required then neither a QuickCheck nor a GP medical need be performed.

Table 1 – Life Cover and TPD cover only

Age next birthday	HIV/HEP B & C	Fasting MBA	QuickCheck (see note page 6)		Resting ECG	PMAR	Own GP Medical ¹	Contact Underwriter ²
Up to 45	\$2,500,001	\$2,500,001	\$2,500,001		\$3,000,001	\$2,500,001	\$3,000,001	\$10,000,001
46 – 50	\$1,500,001	\$1,500,001	\$1,500,001		\$2,000,001	\$2,000,001	\$2,000,001	\$10,000,001
51 - 55	\$750,001	\$500,001	\$750,001		\$1,000,001	\$1,500,001	\$2,000,001	\$10,000,001
56 – 60	\$750,001	\$500,001	\$500,001		\$750,001	\$500,001	\$1,500,001	\$7,500,001
61 – 65	\$750,001	\$250,001	\$250,001		\$500,001	\$250,001	\$750,001	\$5,000,001
66 - 75	\$750,001	\$100,001	\$100,001		\$100,001	\$100,001	\$500,001	\$2,500,001

Table 2 – Recovery Package and Recovery Stand Alone

Age next birthday	HIV and HEP B & C	Fasting MBA	Own GP medical ¹		Resting ECG, FBC	PMAR, Specialist medical	Exercise ECG	Males only: PSA blood test	Females only: results of mammogram current (within 6 mths)
Up to 45	\$1,000,001	\$1,000,001	\$1,000,001		\$1,000,001	\$1,500,001	–	–	\$1,000,001
46 - 50	\$750,001	\$500,001	\$500,001		\$700,001	\$1,000,001	\$1,500,001	\$1,500,001	\$1,000,001
51 – 60	\$750,001	\$250,001	\$250,001		\$250,001	\$1,000,001	\$1,000,001	\$750,001	\$750,001

¹ Where the person to be insured does not have their own GP (a general practitioner they have attended for a minimum of 2 years), a GP paramedical will be required.

² Contact your state underwriter for specific requirements. For cover amounts above \$5,000,000 we will require a full blood count

Income Protection

Table 3 – Cancer Cover plus Recovery Package and Recovery Stand Alone

Age next birthday	Males only: PSA blood test	Females only: Results of current mammogram (within 6 months)
Up to 40	–	\$1,000,001
41 - 50	\$1,500,001	\$1,000,001
51 – 60	\$750,001	\$750,001

Important notes

- The tables are guides only and further tests and/or examinations may be required based on answers provided in the personal statement.
- Where a Recovery Package or Recovery Stand Alone application has been submitted and a QuickCheck or medical exam are NOT required based on the above tables, if the client has not been to a GP in the last 2 years a QuickCheck will be requested.
- Where the Business Security Option is selected the medical requirements will be based on 3 times the sum insured applied for.
- Where a client's BMI is between 32 – 36 a QuickCheck and fasting MBA will automatically be required. Where a BMI exceeds 36 a GP medical exam and fasting MBA will automatically be required (refer to page 13).
- A PMAR may be required in situations where the client suffers from a specific medical condition and we require details.
- Where a PMAR is not automatically required, the client should be made aware that PMARs are obtained randomly on a selection of cases. Financial advisers will be informed if a random PMAR has been requested.
- If an exercise ECG is automatically required a separate resting ECG will not be required. It is standard medical practice to perform a resting ECG prior to performing an exercise ECG. The resting ECG is used to assess changes that can interfere with the interpretation of the exercise test, to document arrhythmias and to compare with the tracings taken during exercise and recovery.

QuickCheck

A QuickCheck can be performed by a nurse or the client's usual doctor. The client's blood pressure, height and weight are measured and a urine sample is analysed. The client is required to answer 3 medical questions only.

Child Cover Option

To apply for the optional benefit of Child Cover, please complete the application to add the Child Cover Option.

Financial evidence

Financial evidence is based on cover with all companies.

Financial evidence must be provided for all applications where the total monthly benefit proposed is equal to or greater than the level shown in the following tables.

Note: Where the client has existing income protection cover with another company, and that policy is not being replaced by this one, add the amount of existing cover to the proposed monthly benefit with Asteron to determine the financial evidence required.

Employee with no ownership interest in the organisation by whom he/she is employed

Occupation code	Agreed Value	Indemnity
AA	\$12,001	\$20,001
A1	\$8,001	\$20,001
A2	\$8,001	\$20,001
B	\$3,501	\$20,001
C	\$3,501	\$20,001
S	\$3,001	\$20,001

What we will accept as proof of income

Employee – Agreed Value – total monthly benefits up to and including \$15,000 per month:

- » Letter from employer confirming employment status and full details of current salary package including a break down of amounts eg, salary, superannuation, motor vehicle, along with full completion of Section H 2(a) of the application; **or**
- » Copy of most recent Group Certificate/PAYG summary for one year, along with full completion of Section H 2(a) of the application; **or**
- » Most recent individual tax return and tax assessment notice, along with full completion of Section H 2(a) of the application; **or**
- » Most recent two pay slips, provided the format of the pay slips are compliant with the applicable state legislation regarding minimum content and the payslips are clearly legible and contain no alterations.

Employee – Agreed Value – total monthly benefits greater than \$15,000 per month:

- » Individual tax returns and tax assessment notices for the past two years, along with full completion of Section H 2(a) of the application; **and**
- » If total monthly benefit is greater than \$20,000 please complete Section H 3 of the application.

Important notes: Employee – Agreed Value

- » If currently employed under terms of a contract, a copy of the contract will also need to be supplied
- » If providing a Group Certificate/PAYG summary or tax return as proof of income and your salary has since altered, and the proposed monthly benefit is based on the new package, a letter from your employer will also be required confirming full details of the new package
- » If the income to be insured consists of commission, bonuses or overtime:
 - the letter from employer should include a breakdown of these items, and will need to include income for the last two years; or
 - the Group certificates/PAYG summaries to be supplied for two years; or
 - the Individual tax returns/tax assessment notices to be supplied for the past two years;
 - and the monthly benefit will be calculated on the average of the two years’ incomes.

Employee – Indemnity – total monthly benefits up to and including \$20,000 per month:

- » Full completion of Section H 2(a) of the application.

Employee – Indemnity – total monthly benefits greater than \$20,000 per month:

- » Individual tax returns and tax assessment notices for the past two years, along with full completion of Section H 2(a) of the application; **and**
- » Please complete Section H 3 of the application.

Self-employed (sole trader, partner or employed by own company or trust)

Occupation code	Agreed Value	Indemnity
AA	\$8,001	\$20,001
A1	\$8,001	\$20,001
A2	\$8,001	\$20,001
B	\$3,001	\$20,001
C	\$3,001	\$20,001
S	\$2,501	\$20,001

What we will accept as proof of income

Self-employed – Agreed Value – total monthly benefits up to and including \$15,000 per month:

- » **Sole trader** – Individual tax returns and tax assessment notices for the past 2 years along with full completion of Section H 2(b) of the application.
- » **Partner** – Individual tax returns and tax assessment notices plus Partnership tax returns and full accounts (ie, profit and loss and balance sheet) for the past 2 years along with full completion of Section H 2(b) of the application.
- » **Employed by own company or trust** – Individual tax returns and tax assessment notices plus company tax returns and full accounts (ie, profit and loss and balance sheet) for the past 2 years, along with full completion of Section H 2(b) of the application.

Important note

Where the person to be insured has ownership in more than one entity, we will require tax returns and full accounts (ie profit and loss and balance sheet) for each entity.

Self-employed – Agreed Value – total monthly benefits greater than \$15,000 per month:

- » The requirements listed above; **and**
- » If total monthly benefit is greater than \$20,000 please complete Section H 3 of the application.

Self-employed – Indemnity – total monthly benefits up to and including \$20,000 per month:

- » Full completion of Section H 2(b) of the application.

Self-employed – Indemnity – total monthly benefits greater than \$20,000 per month:

- » All applicable requirements as listed under 'Agreed Value'; and
- » Please complete Section H 3 of the application.

Business Expenses

Monthly Amount	Required
Up to \$20,000	Business Expenses Questionnaire in application
Over \$20,000	Business Expenses Questionnaire in application and a Profit & Loss Statement for last 2 years.

Important note

Financial evidence may also be requested at the discretion of the underwriter, depending on the nature of the occupation, the earning history of the applicant and the completeness of the financial information provided in the application.

Financial endorsements – Agreed Value

To ensure your client's expectations are met in the event of a claim for severe disablement, we encourage everyone to provide financial evidence supporting their total monthly benefit when an application is submitted. Although not compulsory for everyone, it is for applications where the total monthly benefit exceeds our automatic financial evidence limits (as per pages 7 and 9).

When satisfactory financial evidence supporting the total monthly benefit is supplied, we will endorse your client's policy schedule with either a full or partial financial endorsement.

Full or partial financial endorsement

The date of the financial evidence supplied will determine whether further proof of income will be required in the event of a claim. For this reason we have two different endorsements available – full and partial.

Full – when the evidence supplied at application is no more than 12 months old. This endorsement states no further proof of income will be required in the event of a severe disablement claim.

Partial – when the evidence supplied at application is older than 12 months. This endorsement states proof of income will be required for the period between the date of the evidence already submitted and the commencement of the policy – these dates will be defined in the endorsement.

Financial evidence required

The evidence required to obtain a financial endorsement is the same as that listed on pages 7, 8, 9 and 10.

No endorsement

If financial evidence has not been supplied then an endorsement will not be applied to the policy, and in the event of a claim, the client will be required to provide proof of income.

At claim time

The financial endorsement only applies to proving income in the event of a severe disablement claim. It does **not** apply when the claim is for partial disability benefits. For partial disability claims we will still require financial evidence for pre- and post-disability income.

For both endorsements, we will also require evidence of any other payments that the client may receive from other sources, such as sick leave, workers' compensation or other insurance policies. This is also defined within each endorsement.

Financial evidence commission bonus – Agreed Value only

We will offer a 5% commission bonus on the first 12 months premium if:

- » The monthly benefit applied for falls under the automatic financial evidence limits (listed on page pages 7 and 9), **and**
- » Financial evidence is supplied, as specified on pages 7, 8, 9 and 10.

Medical requirements

The following limits are based on the combined Income Protection monthly benefit and one half of the Business Expenses monthly benefit with Asteron only. When determining the medical requirements for Business Expenses divide the monthly benefit proposed by 2.

Age next birthday	HIV, Hep B & C, MBA	QuickCheck	PMAR	Resting ECG, FBC	Exercise ECG	Own GP medical*
Up to 45	\$10,001	\$10,001	\$15,001	\$15,001	\$25,001	\$15,001
46 – 50	\$10,001	\$10,001	\$10,001	\$15,001	\$20,001	\$15,001
51 – 55	\$6,501	\$7,501	\$7,501	\$15,001	\$20,001	\$15,001
56+	\$5,001	\$5,001	\$5,001	\$10,001	\$20,001	\$10,001

* Where the person to be insured does not have their own GP (a general practitioner they have attended for a minimum of 2 years), a GP paramedical will be required.

Important notes

- The above tables are guides only and further tests and/or examinations may be required based on answers provided in the personal statement.
- If a client's BMI is between 32 – 36 a QuickCheck and fasting MBA will automatically be required. Where a BMI exceeds 36 a GP medical exam and MBA will automatically be required (refer to page 13).
- A PMAR will be required in situations where the client suffers from a specific medical condition and we require details.
- If a PMAR is not automatically required, the client should be made aware that PMARs are obtained randomly on a selection of cases. Advisers will be informed if a random PMAR has been requested.
- If an exercise ECG is automatically required a separate resting ECG will not be required. It is standard medical practice to perform a resting ECG prior to performing an exercise ECG. The resting ECG is used to assess changes that can interfere with the interpretation of the test, to document arrhythmia's and to compare with the tracings taken during exercise and recovery.

Height and weight chart

Reflects a BMI of 32.

Height		Weight		
cms	ft/ins	kgs	lbs	st/lbs
150	4'11	72	159	11'5
152	5'0	74	163	11'9
155	5'1	77	170	12'2
157	5'2	79	174	12'6
160	5'3	82	181	12'13
163	5'4	85	187	13'5
165	5'5	87	192	13'10
168	5'6	90	198	14'2
170	5'7	92	203	14'7
173	5'8	96	212	15'2
175	5'9	98	216	15'6
178	5'10	101	223	15'13
180	5'11	104	229	16'5
183	6'0	107	236	16'12
185	6'1	109	240	17'2
188	6'2	113	249	17'11
191	6'3	116	256	18'4
193	6'4	119	262	18'10
196	6'5	123	271	19'5
198	6'6	126	278	19'12

Important note

If the Person to be Insured's weight is equal to or greater than the level shown for the corresponding height, a QuickCheck and fasting MBA20 blood test will be required. Where the person to be insured's BMI is greater than 36, a medical examination and fasting MBA20 blood test will be required, and would preferably be performed by their usual doctor.

Calculating the monthly benefit

Income protection – Income Protector, Income Advantage and Income Shield

We are able to consider a total monthly benefit of up to \$30,000pm without restriction to the benefit period, on the following replacement ratios:

75% * of the first \$320,000 insurable income
50% * of the balance

For those applicants whose insurable income exceeds \$560,000 we may upon request consider an additional 2 year benefit allowing for 15% of the insurable income which exceeds the applicant's first \$560,000 insurable income, to a maximum of an additional \$10,000 monthly benefit.

*If the Super Saver option is selected, coverage up to 80% of insurable income may be available.

Definition of insurable income

Insurable income is the annualised income earned each month by your own personal exertion (ie, will cease if you are unable to work), after deduction of any expenses incurred in earning that income, but before tax.

Insurable income includes your total remuneration package including salary, wages, fees, packaged fringe benefits, regular commissions, regular bonuses, overtime payments and superannuation.

If you are self-employed, eg, sole trader, a partner in a business or an employee of your own company, insurable income also includes:

- » your share of the net income of the business (after deduction of all business expenses) directly due to your personal exertion, but before tax; plus
- » your share of any depreciation (excluding depreciation related to capital items used with the primary purpose of generating income) claimed as a business expense.

Note that insurable income does not include:

- » income that you will continue to receive from your business if you are unable to work, including any ongoing profit generated by other employees of the business

- » other unearned income such as dividends, interest, rental income, proceeds from the sale of assets etc
- » ongoing commission or royalties.

Investment or unearned income

Unearned income is income which is likely to continue in the event of a claim. Unearned income may occur as either investment income or income that could be earned from net assets.

The inclusion of unearned income for the purpose of determining the monthly benefit ensures that whilst on claim a significant financial incentive for the insured to return to work is maintained.

Unearned income is taken into consideration for the purpose of calculating the monthly benefit only when the monthly benefit proposed exceeds \$20,000.

Substantial net assets can generate unearned income, creating the potential for over insurance. Whilst current income from net assets may be relatively low, where the insured person's assets include real estate, bonds or shares etc, in the event of prolonged disability the insured person could rearrange their portfolio to generate significant unearned income.

The insured's net assets will exclude:

- » the family/residential home
- » furniture and fittings in the family/residential home
- » motor vehicles other than luxury and vintage collectors cars
- » superannuation.

Investment income may include (but is not limited to):

- » interest
- » pensions
- » rental properties
- » royalties

- » capital gains
- » dividends
- » annuities
- » military retirement pensions.

This can be illustrated with an example. This example assumes the SuperSaver Option has not been selected.

Total Insurable Income	\$650,000
Replacement Ratios	
320,000 75%	\$240,000
330,000 50%	\$165,000
Total after Replacement Ratios to age 65	<u>\$405,000</u>
90,000 15%	\$13,500
Total Top-up after Replacement Ratios 2 years	<u>\$13,000</u>
Total Benefit	<u>\$418,500</u>
Total Monthly Benefit	\$34,875
Maximum Long Term Benefit	\$30,000*
Maximum Short Term Benefit	\$1,125

* The maximum allowable long term monthly benefit for Income Protection is \$30,000.

Income fluctuations

Agreed Value policies

For people who work in occupations with a fluctuating income, we will use an average of their income after expenses for the 3 financial years immediately preceding the application for insurance.

Indemnity policies

For Indemnity policies we are prepared to insure earned income based on the latest financial year, provided there is a reasonable expectation that this level of income will continue.

Important note

Where income has been reducing over the past 2 financial years, agreed value income protection insurance will not be available. Cover under an indemnity policy may be available where future income levels can be determined with some certainty.

SuperSaver Option Calculation

The SuperSaver Option allows insurance of superannuation contributions so that superannuation contributions can continue to be made on the client's behalf while they are disabled.

Between 5% and 20% of the monthly insurable income can be nominated as the SuperSaver monthly benefit. The SuperSaver monthly benefit represents the monthly income multiplied by the SuperSaver percentage.

Selecting the SuperSaver Option will reduce the monthly benefit that can be applied for.

The monthly benefit that can be applied for is based on the yearly income reduced by the SuperSaver percentage, and is:

- » 75% of the first \$320,000 insurable income
- » 50% of the balance
- » less the SuperSaver percentage (if applicable) of the above 4 items

The total monthly benefit of \$30,000pm applies, and the SuperSaver monthly benefit can be no more than the monthly benefit.

For example, with an annual salary package of \$400,000 and a SuperSaver percentage of 10%.

Insurable Income	\$400,000
Less Super Saver (eg 10%)	\$40,000
Balance	\$360,000

Insurable Benefit	
75% x (1st \$320,000 x 90% *)	\$216,000
50% x (Next \$40,000 x 90% *)	\$18,000
	<u>\$234,000</u>

Monthly Benefit (\$234,000 ÷ 12 months)	\$19,500
Super Saver Monthly Benefit (\$400,000 x 10%) ÷ 12	\$3,333
Total Monthly Benefit	<u>\$22,833</u>

*Note: (This figure is derived by the following calculation = 100% - SuperSaver %)

Business Expenses

Eligible fixed expenses

- » rent or interest/fees on a loan to finance premises
- » insurance of premises (fire, etc)
- » property rates/taxes
- » security costs
- » repairs and maintenance which are contractual
- » telephone, gas, electricity, water, mobile telephone, cleaning and laundry
- » lease or financing costs (excluding payments attributable to the initial cost) on equipment, excluding any motor vehicle which can and will be let out while the insured person is unable to work

- » car lease (excluding taxi)
- » registration and insurance of vehicles and equipment
- » repairs and maintenance of equipment
- » salaries and related costs of employees who do not generate any business income
- » compulsory superannuation in respect of the above salaries
- » payroll tax
- » advertising costs which are contractual
- » accounting and auditing fees
- » bank fees/charges and account transaction taxes
- » interest/fees on loan to finance the business
- » professional association dues and subscriptions
- » business insurance (liability, etc)
- » postage.

Eligible Locum Expense

In addition to the eligible fixed expenses, we will cover the difference between the estimated cost of a locum and the income they are likely to generate.

Important notes

- » Some of these expenses are not eligible for home office. Please refer to Section P of the application form contained in the current Asteron Lifeguard Product Disclosure Statement or Asteron Lifeguard Short Form Product Disclosure Statement.
- » An adjustment should be made to eligible expenses which will reduce as a result of the insured person not working eg, phone, power, water and postage.

Ineligible expenses

- » salaries of employees who generate business income
- » salaries, fees or drawing account (including related costs) to:
 - the person to be insured, or

Eligibility of benefits

- any member of the person to be insured's family unless that person was a bona fide employee and was employed at least 30 days prior to the commencement of severe disablement
- » repayment of mortgage or loan principle
- » costs of equipment, books, fittings, fixtures, furniture, goods, implements, merchandise, stock or any other items of a capital nature
- » leasing or financing costs relating to any motor vehicle which can and will be let out while the insured is unable to work
- » expenses which will cease if the person to be insured is not working.

Lump Sum

Life Cover

Special Events Increase Benefit

This benefit is not available if a medical loading greater than 75%, or any medical 'per mille' loading, applies to the Life Cover benefit. Medical exclusions are considered equal to 50% loading for this purpose. Occupation or pastimes loadings/exclusions do not impact this benefit.

Business Security Option

The benefit is not available if a medical loading greater than 75%, or any medical 'per mille' loading, applies to the benefit. Medical exclusions are considered equal to 50% loading for this purpose. Occupation or pastimes loadings/exclusions do not impact this option.

Waiver of Premium Option

The benefit is not available if the occupation would be either uninsurable for TPD or subject to the Modified TPD definition.

This benefit is also not available if a medical loading greater than 100%, or any medical 'per mille' loading, applies to the Life Cover benefit. Medical exclusions are considered equal to 50% loading for this purpose.

It may be possible that an exclusion will apply to this benefit in some circumstances.

Total and Permanent Disablement

Permanent Disability Increase Benefit

This benefit is not available if any medical loading or medical exclusion applies to the Total and Permanent Disablement Benefit. Occupation or pastimes loadings/exclusions do not impact this benefit.

Cancer Cover

Cancer Cover Increase Benefit

This benefit is not available if a medical loading greater than 75%, or any medical 'per mille' loading, applies to the Cancer Cover Option. Medical exclusions are considered equal to 50% loading for this purpose. Occupation or pastimes loadings/exclusions do not impact this benefit.

Recovery Package and Recovery Stand Alone

Recovery Increase Benefit

This benefit is not available if a medical loading greater than 75%, or any medical 'per mille' loading, applies to the Recovery Package or Recovery Stand Alone Benefit. Medical exclusions are considered equal to 50% loading for this purpose. Occupation or pastimes loadings/exclusions do not impact this benefit.

Child Cover Option

This option is not available if any medical loadings or medical exclusions apply to the child.

Limited Duration Lump Sum Policies

In some instances due to financial reasons we may not be able to offer cover through to age 99. In these cases it may be possible to offer a limited duration contract of 3, 5 or 10 years. Please contact your local risk assessment team for further details.

Income Protection

Income Protector, Income Advantage and Income Shield

Income Update Benefit

This benefit is not available if a medical loading greater than 75% applies to the policy. Medical exclusions are considered equal to 50% loading for this purpose. Pastimes loadings or exclusions do not impact this benefit.

Accidental Injury Option

This option is only available when the waiting period of the policy is 14 or 30 days. Some pastimes may impact the availability of this option – if a loading or exclusion applies to the policy due to the pastime then that pastime will be excluded from the Accidental Injury Option.

Accidental Injury Plus Option

This option is only available when the waiting period is 14 or 30 days, and is not available for the S category occupations. Some pastimes may impact the availability of this option – if a loading or exclusion applies to the policy due to the pastime then that pastime will be excluded from the Accidental Injury Plus Option.

Continuation of cover after age 65 (Income Advantage only)

To age 70

If your client is working full-time within an occupation classified by us as AA at the time the policy expires, and they are not receiving or entitled to receive benefits under the policy, the policy will continue until the policy anniversary when they are age 70 provided the client is working a minimum of 30 hours per week for at least 48 weeks per year. Cover will be an indemnity contract with a minimum 30 day waiting period and 1 year benefit period.

Beyond age 70 to age 74

If your client has continued cover to age 70 as per the above and their occupation is still classified as AA, they can apply for continuation of cover. Generally continuation of cover will only be available where the original acceptance terms were without loading or an exclusion, and only where the client has had no claims with Asteron within the five years prior to exercising the benefit. The client must be working a minimum of 30 hours per week for at least 48 weeks per year. If acceptable the policy will be renewed on an indemnity basis with a minimum 30 day waiting period, 1 year benefit period, and the client must reapply on each subsequent policy anniversary.

Booster Option

This option is not available if you have chosen the Recovery Booster Option. This option does not apply to any payment under the Accidental Injury Option, Accidental Injury Plus Option or Bed Confinement Benefit, nor does it apply to the SuperSaver monthly benefit.

Recovery Booster Option

This option is not available if you have chosen the Booster Option and is only available to waiting periods of 14, 30, 60 or 90 days. The Recovery Booster does not apply to any payment under the Specific Injury Benefit, Accidental Injury Option, Accidental Injury Plus Option or Bed Confinement Benefit, nor does it apply to the SuperSaver monthly benefit.

Extended Waiver of Premium

This option is not available if you have chosen Income Shield.

Needlestick Option

This option is not available if, at the time of application, the person to be insured is HIV positive, Hepatitis C positive, Hepatitis B infected or has sustained a needlestick injury during the 90 days prior to date of application.

Otherwise, this benefit is available with Life Cover (non-superannuation), Total and Permanent Disablement Stand Alone (non-superannuation) and Income Advantage and Income Protector. (Refer to occupation classes for eligible occupations).

There are no additional underwriting requirements for this benefit other than the standard requirements based on the product type, age of person to be insured, sum insured and history declared in the personal statement.

Asteron Special Offer for Newly Qualified Professionals

The following guidelines are to be used in the underwriting of applications for Income Protection and Recovery policies from newly qualified professionals as detailed below. The target market for this offer is young professionals who have recently joined their profession either straight from completing studies or who have only worked for a short period in this profession and most likely do not have any financials. The guidelines provide an alternative underwriting approach for applicants who lack the usual forms of proof of income to support the level of cover proposed but have income earning potential at higher levels than the level of cover offered.

The following occupations are eligible for this offer:

New Doctors

The following should be considered New Doctors for the purpose of this campaign:

- » Graduates of medical schools in Australia that have been accredited by the Australian Medical Council (AMC), and who have completed the approved period of intern training; or
- » Overseas trained doctors who have passed the AMC exams and have been awarded the AMC Certificate (such doctors must satisfy the usual underwriting residency guidelines)

and who have been registered with the appropriate State or Territory Medical Board and have been practising as doctors on a full time basis for not more than 5 years since the date of registration as a medical practitioner. Doctors practising for more than 5 years are ineligible for these special terms.

New Barristers

The following should be considered New Barristers for the purpose of this campaign:

- » Holders of a current Practising Certificate issued in an Australian state or territory that entitles them to practise as a barrister. They must have commenced practice within the last two years. If practising for more than 2 years they are ineligible for these special terms.

New Dentists

The following should be considered New Dentists for the purpose of this campaign:

- » Graduates of an accredited university dental degree evidenced by the Dental Board of the relevant state or territory
- » Overseas trained dentists who have passed the Australian Dental Council (ADC) exams and have been awarded the ADC Certificate (such dentists must satisfy the usual underwriting residency guidelines)

The Person to be insured must also meet the following criteria:

- » Registered with the appropriate State or Territory Dental Board; and
- » Practising as a dentist on a full time basis for not more than 5 years since the date of registration as a dentist.

Dentists practising for more than 5 years are ineligible for these special terms.

New Pharmacists

The following should be considered New Pharmacists for the purpose of this campaign:

- » Pharmacy graduates from Australian universities who have completed their pre-registration training requirements with the appropriate State or Territory Pharmacy Board; or
- » Overseas trained pharmacists who have satisfactorily met the requirements of the Australian Pharmacy Examining Committee (such pharmacists must satisfy the usual underwriting residency guidelines).

The Person to be insured must also meet the following criteria:

- » Registered with the appropriate State or Territory Pharmacy Board; and
- » Practising as a pharmacist on a full time basis for not more than 5 years since the date of registration as a pharmacist.

Pharmacists practising for more than 5 years are ineligible for these special terms.

New Optometrists

The following should be considered New Optometrists for the purpose of this campaign:

- » Optometry graduates from Australian Universities who have registered with the Optometrists Registration Board; or
- » Overseas trained optometrists who have passed the examination conducted by the Optometry Council of Australia and New Zealand (such optometrists must satisfy the usual underwriting residency guidelines).

The Person to be insured must also meet the following criteria:

- » Registered with the appropriate State or Territory Optometrists Registration Board; and
- » Practising as an optometrist on a full time basis for not more than 5 years since the date of registration as an optometrist.

Optometrists practising for more than 5 years are ineligible for these special terms.

The following table specifies the maximum sums insured available under this offer:

Profession	Maximum Income Protection Monthly Benefit	Maximum Recovery Sum Insured
Doctor	\$6,250	\$500,000
Barrister	\$6,250	\$500,000
Dentist	\$6,250	\$500,000
Pharmacist	\$4,000	\$500,000
Optometrist	\$4,000	\$500,000

The Income Protection Offer

- » All Income Protection products are available including any optional benefits.
- » Both Indemnity and Agreed value are offered.
- » All waiting periods and benefit periods are available.
- » A guaranteed maximum benefit of the amount specified in the above table without the need to provide any financial evidence.
- » For Agreed Value contracts a Full Financial Endorsement is given.
- » For Indemnity contracts financial evidence will be required at time of claim.
- » Financial evidence of pre and post-disability income will be required for partial disability claims.
- » There will be no offsets applied at underwriting unless the client answers yes to the ongoing income question on the application.
- » Mandatory medical and financial evidence waived but subject to underwriting and disclosures on personal statement.
- » As this offer is for new professionals (as defined above) it is assumed that there is no existing cover in force, if there is existing cover, the normal underwriting rules apply for sum insured maximums and replacement of business.

- » If a client takes up this offer as 'top up' cover to an existing IP cover with another insurer and the maximum (as specified above) is exceeded, the underwriter has a right to request financial evidence to justify both covers.

The Recovery Offer

- » The maximum sum insured under this offer is \$500,000.
- » Death and TPD (Own occupation) are included in the Recovery Benefit. Stand Alone Recovery and Recovery without TPD are also options available.
- » Mandatory medical and financial evidence is waived but subject to underwriting and disclosures on personal statement.
- » As this offer is for new professionals (as defined above) it is assumed that there is no existing cover in force, if there is existing cover the normal underwriting rules apply for sum insured maximums and replacement of business.
- » If a client takes up this offer as 'top up' cover to an existing Recovery cover with another insurer and the maximum of \$500,000 is exceeded, the underwriter has a right to request financial evidence to justify both covers.

Application Form

The full Asteron application and personal statement is required to be completed for this offer.

Income Protection for farmers

The ability of self employed farmers to provide financial evidence in support of their income protection application is often complicated by natural events such as drought and flood or delays receiving income for work already done such as payments from wheat or wool boards etc.

With this in mind, we make the following special offer in addition to our usual fully underwritten long term cover without any cap.

Features

- » A guaranteed maximum monthly benefit up to and including \$2,500 per month without the need to provide any financial evidence;
- » Monthly benefit will be fully financially endorsed
- » 2 or 5 year benefit periods;
- » Minimum waiting period of 30 days available.

Underwriting Guidelines

- » Initially Asteron Income Protection for Farmers may only be applied for using the application for Asteron Lifeguard Insurance products within the current Asteron Lifeguard PDS.
- » The applicant must have been in farming industry for at least 5 years, and in current self-employed arrangement for at least 12 months.
- » In respect of the Income Details section of the personal statement, only question 1 need be completed.
- » This cover cannot be taken as a top up of any other income protection cover whether underwritten or otherwise.
- » Limited Underwriting terms will not be available in conjunction with Asteron Income Protection for Farmers.

Occupation Classes

Please refer to the table below for changes to Farming occupation classes.

Farming – cane/crop/fresh water fish/fruit/livestock/vegetable	IP	Life	TPD		RI	RI/TPD	NS
			Own	Any			
Owner/Manager – administration, sales only	A2	OR	1.54	1.1	OR	O	
Owner/manager – administration, sales & <25% farm supervision and/or manual duties	B	OR	1.89	1.36	OR	O	
Owner/manager – administration, sales & >25% farm supervision and/or manual duties, no shearing or other unusual hazardous activities	C	OR	2.03	1.45	OR	O	
Owner/manager > 25% manual, may include some shearing or other unusual hazardous activities	S	OR	U	M	OR	U	



AT YOUR FINANCIAL SERVICE®

To find out more call the Asteron office in your state or territory, or visit us on the internet at www.asteron.com.au

NSW/ACT

Level 10 321 Kent Street
Sydney NSW 2000

T | 02 8275 3411

F | 02 8275 3022

NSW callers outside
Sydney 1800 805 241

SA/NT

66 Greenhill Road
Wayville SA 5034

T | 08 8229 6200

F | 08 8229 6266

SA callers outside
Adelaide 1800 506 274

VIC/TAS

Level 8 15 William Street
Melbourne VIC 3000

T | 03 9245 8500

F | 03 9245 8525

VIC callers outside
Melbourne & Tasmanian
callers 1800 803 628

WA

Level 3 37 St Georges Terrace
Perth WA 6000

T | 08 9260 7000

F | 08 9260 7078

WA callers outside
Perth 1800 799 537

QLD

Level 4 50 McDougall Street
Milton QLD 4064

T | 07 3011 8600

F | 07 3011 8611

QLD callers outside
Brisbane 1800 177 716

Risk Assessment

Underwriting and New Business
fax numbers for return of
requirements

NSW/ACT 1300 363 190

VIC/TAS 1300 363 702

QLD 1300 363 714

SA/NT 1300 363 951

WA 1300 363 980

Issuer

Asteron Life Limited

ABN 64 001 698 228

AFS Licence No. 237903

Level 18 Suncorp Centre

36 Wickham Terrace

Brisbane QLD 4000

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